



The Commonwealth of Massachusetts Group Insurance Commission



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Dear GIC Insured:

In the coming months you will receive information from various health plans and other organizations about the new Medicare prescription drug benefit known as Medicare Part D. Medicare Part D is generally meant for people who do not have drug coverage from their former employer or through other means.

As a GIC insured, you already have comprehensive drug coverage through your GIC health plan. Therefore, you do not need additional prescription drug coverage. Most of our Medicare-eligible insureds should **not** sign up for a Medicare Part D drug plan.

However, for some insureds with very limited funds, there may be some benefit to enrolling in a Medicare Part D drug plan. The information on the back of this letter will help you determine whether you should consider joining one of these plans. Again, most insureds will not need to do anything and should not sign up for Part D drug coverage.

Because this is a new and complicated benefit, the GIC will try to keep you informed about what you need to know about Medicare Part D, and about which options are best for you. So, pay particular attention to the GIC's upcoming articles on Medicare Part D in our quarterly newsletter, *For Your Benefit*, and be watching for future GIC mailings on this important subject.

If you have any questions, please don't hesitate to contact the Group Insurance Commission at 617-727-2310.

Very truly yours,

Dolores L. Mitchell
Executive Director

Guidelines for Determining Eligibility for Federal Drug Subsidy

Medicare-eligible retirees with assets and income that meet the following thresholds are eligible for Medicare Part D prescription drug subsidy from the federal government. If you meet both the assets and income thresholds in the chart below, you may benefit by enrolling in a Medicare Part D drug plan. **For further information, contact the federal government's Center for Medicare and Medicaid Services (CMS) at 1-800-MEDICARE or 1-800-633-4227.**

In determining your assets, the federal government will not count your home (primary residence), your vehicle(s), and your personal possessions.

Assets that will count include:

- Real estate (other than your primary residence)
- Bank accounts, including checking, savings and certificates of deposit
- Stocks and bonds, including US Savings Bonds
- Mutual funds
- Individual retirement accounts (IRAs)
- Cash

Listed below are the groupings that Medicare will use to determine whether you are eligible for a prescription drug subsidy.

Retirees in Medicare Group 1 will receive the greatest benefit, and retirees in Medicare Group 4 will receive the smallest benefit. Remember to check with CMS if you meet these assets and income limits. The chart below is intended as a guide to help you determine whether you qualify for financial assistance from the federal government. **Contact the Center for Medicare and Medicaid Services at 1-800-633-4227 for additional information.**

Medicare Category	Retiree Assets Limit		Retiree Annual Income Limit (e.g., pension, Social Security, etc.)	
	Single Person	Married Couple	Single Person	Married Couple
Group 1*	Not Applicable	Not Applicable	Less than \$9,570	Less than \$12,830
Group 2	Less than \$7,000	Less than \$12,000	Less than \$12,920	Less than \$17,321
Group 3	Less than \$11,500	Less than \$23,000	Less than \$12,920	Less than \$17,321
Group 4	Less than \$11,500	Less than \$23,000	Less than \$14,355	Less than \$19,245

* Medicare Group 1 includes retirees who are enrolled in Medicaid — known as MassHealth in Massachusetts — and Medicare.

